

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

PITTSFIELD GENERATING COMPANY, L.P.,

Plaintiff,

v.

DEVON CANADA CORPORATION,

Defendant.

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) Civil Action No:
) 04-30128-MAP
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**DEFENDANT DEVON CANADA CORPORATION'S
STATUS REPORT ON PARALLEL LITIGATION**

Pursuant to the Court's Order of December 28, 2004, Defendant Devon Canada Corporation ("Devon") hereby submits this report on the status of the parallel Alberta litigation (the "Action"). As requested by the Court's Order, Devon will continue to file subsequent status reports every six months.

Regarding the parallel Alberta Action, which involves the above-named and additional parties, the parties currently are conducting in Alberta what would be the equivalent of discovery in the United States. More specifically, the following significant events have occurred within the last six months:

1. On December 2, 2005, Peacock Linder & Halt LLP ("PLH"), counsel for PE-Pittsfield, LLC, PurEnergy I, LLC and Pittsfield Generating Company LP (collectively "PGC"), provided Carscallen Lockwood LLP, counsel for Devon, with a copy of PGC's producible documents. On December 16, 2005, Carscallen Lockwood provided PLH with a copy of Devon's producible documents in the Action.

2. In January and February, 2006, counsel and the parties worked toward scheduling examinations for discovery (the equivalent of depositions in the United States). Such examination of the representative of the Defendants was scheduled for March 28, 29 and 30, 2006.

3. On March 2, 2006, PLH filed and served the Affidavit of Records on behalf of the Defendants, Altresco, Inc. ("Altresco") and Pittsfield Partners, Inc. ("PPI").

4. On March 8, 2006, PLH provided Carscallen Lockwood LLP with a copy of the producible documents of Altresco and PPI in the Action.

5. On March 14, 2006, PLH provided Carscallen Lockwood LLP with an unfiled copy of a proposed Amended Statement of Defence on behalf of all of the Defendants and a proposed Amended Counterclaim on behalf of PGC. PLH asked Carscallen Lockwood LLP to consent to the filing of such amended pleadings (the Alberta Rules of Court require the Defendants to either obtain the consent of the Plaintiff to file such amended pleadings, or make an application to the Court for the Court's approval to file same). PLH stated that the examination for discovery of the Defendants' representative could be postponed in light of the proposed amended pleadings.

6. On March 20, 2006, Carscallen Lockwood LLP advised PLH that the status of the pleadings had to be settled prior to conducting an examination of the Defendants' representative. Carscallen Lockwood LLP informed PLH that Devon would now have to file amended pleadings in response to the Defendants' Amended Statement of Defence and PGC's Amended Counterclaim. Carscallen Lockwood LLP also informed PLH that the amended pleadings may result in further document production from all parties. Carscallen Lockwood LLP informed PLH that they would consent to PLH filing the amended pleadings on certain conditions.

7. On March 30, 2006, PLH informed Carscallen Lockwood LLP that their clients had further documents to produce in the Action.

8. On March 31, 2006, PLH suggested to Carscallen Lockwood LLP changes to the conditions upon which Devon would provide its consent to the filing of the amended pleadings.

9. On April 6, 2006, Carscallen Lockwood LLP suggested to PLH that their clients would have to produce further documents in the Action and provided some examples of such further documentation. Carscallen Lockwood LLP also suggested further revision to the conditions for Devon providing consent to the filing of the amended pleadings.

10. In May and early June 2006, counsel and the parties worked toward scheduling examinations for discovery of the Defendants' representative and the Plaintiff's representative. Dates in August, 2006 were selected.

11. On June 6, 2006, PLH agreed to Devon's conditions for the filing of the amended pleadings.

12. On June 14, 2006, Carscallen Lockwood LLP provided their formal consent to the filing of the Defendants' Amended Statement of Defence and PGC's Amended Counterclaim.

13. In the coming months, the parties anticipate that PLH will file and serve the amended pleadings of the Defendants and Plaintiff by Counterclaim. Devon will be filing amended pleadings in response thereto. Further document production that arises as a result of the amended pleadings will need to be produced prior to examinations for discovery. Examinations for Discovery of each side will commence in August, 2006.

Respectfully submitted,

/s/ Michelle C. Pardo
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Defendant Devon Canada Corporation's Status Report on Parallel Litigation was served via electronic filing on the 30th day of June, 2006 on the following:

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/s/ Michelle C. Pardo